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DIARY NOTES

DD/A

26 January 1955

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1. Met with Mr. Dulles, Mr. Houston, Mr. William Zeckendorf, who is prominent in the redevelopment plan for southwest Washington, General William Donovan, Mr. Zeckendorf's attorney, Mr. W. E. Reynolds, Consultant and former Commissioner of Public Buildings, Mr. Pei, Chief Architect for the firm of Webb & Knapp, Inc. which is working with Mr. Zeckendorf, and Mr. B. A. Tompkins, Jr., Assistant to the President, Webb & Knapp, Inc., to consider a Zeckendorf proposal that we construct the new CIA headquarters building in the southwest section of Washington at the area bounded generally by "M" Street on the north, Fort McNair on the south, Maine Avenue on the west, and Delaware Avenue on the east. (See Memorandum for the Record.)

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2. Briefed [REDACTED] on the Zeckendorf plan to locate our proposed new building in the southwest area of Washington and asked them to give this matter their careful study.

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3. Agreed with [REDACTED] that I would address a memorandum to the Director outlining the action that we have taken in connection with the Inspector General's reports on the Security Office, the Office of the Comptroller, and the Logistics Office. I pointed out, however, that comments on the Security Office only would be ready at this time.

4. Mr. Kirkpatrick advised me that his people had some question about a proposed change in the table of organization for the Office of Current Intelligence which was en route to me. I told him that I would flag it and not sign off on it without checking with him.

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5. With [REDACTED] discussed the "Fourth Force" paper for the benefit of Hart Perry and Lyman Hamilton, Bureau of the Budget. Have asked Chuck to prepare a Memorandum for the Record on this.

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6. Gates Lloyd and I met with Lyman Kirkpatrick, [REDACTED] and [REDACTED] to discuss some of their observations which were not recorded in the written report of their inspection of the Logistics Office. They can be summarized briefly as follows:

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They have an impression that there is a small clique in the Logistics Office in the persons of Jim Garrison, [REDACTED], [REDACTED] which pretty well seals Jim off from his division chiefs. They pointed out, however, that they did not mean to imply that this was a clique of

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personalities; rather, that their organizational arrangement contributed to a major degree to this unfortunate problem. Although they did not say so directly I gathered that they felt that [REDACTED] was not good at handling people and that it should be quite a few years, if ever, before he is considered for the position of Deputy Chief of that Office.

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They discussed the possible "conflict of interests" situation wherein [REDACTED] Chief of the Procurement Division, owns stock in Sears & Roebuck, a concern from whom we purchase quite a bit of over-the-counter supplies. I told them that it had been my impression that we were already purchasing a substantial amount from that company and that while our volume had not gone up through [REDACTED] we had been able to get a better price. In any case, however, I agreed to look into this thoroughly.

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With regard to [REDACTED] it was the opinion of the group that he was doing a good job in his present position as Deputy Chief of Procurement and that he had been responsible for many of the improvements made in the Division since he assumed this position. They felt that he and [REDACTED] made a good team.

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They believed that there was a lack of understanding on the part of the staffs and divisions in the Logistics Office as to "which one had responsibility for what." The staffs appear to be doing certain things that the divisions should be doing and the divisions seem uncertain as to just where their authority and responsibility stop.

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They pointed out that the hassle between the Procurement Division and the Industrial Contract Audit Branch, Office of the Comptroller, was a bad situation and suggested that [REDACTED] be removed as Chief of the ICAB without prejudice inasmuch as he was being unreasonable and narrow-minded in many cases. They recommended that we get an outsider to come in and make a survey of our Industrial Contract Audit business.

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[REDACTED] expressed his concern about the lack of real control we had over [REDACTED] and I told him that I would look into this.

In conclusion, Mr. Kirkpatrick said that he would like to finish the DD/A components between the first of April and the first of July. I requested that he proceed in the following order: Audit Office, Medical Office, and Office of the General Counsel.

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7. I talked to Kirk about the [redacted] case and he told me that he had sent a recommendation to the Director to the effect that we pay Mr. [redacted] some additional money. He said that he had pointed out to the Director that the General Counsel did not agree with this recommendation. Therefore, I see no reason for me to get mixed up in this case unless the Director refers it to me. 25X1A9a